



EXACOMPTA CLAIREFONTAINE

Dear Shareholders,

At its 16 September 2021 meeting in Paris, the EXACOMPTA CLAIREFONTAINE Board of Directors, chaired by Mr François Nusse, reviewed and approved the Group financial statements for the six months ended 30 June 2021.

↵ Consolidated results

(€000)	H1 2021	H1 2020
Revenue	332,380	313,515
Operating income/(loss)	9,753	(3,013)
Net income/(loss) before tax	9,885	(4,148)
Net income/(loss) after tax	7,571	(3,530)
Group share	7,332	(3,005)

First half 2021 was marked by soaring raw material prices, particularly pulp prices. We managed to maintain 2020 profit margins thanks to relatively sustained demand for the vast majority of our products and the inventories we had already built up.

↵ Segment information

(€000)	Paper	Processing	Inter-segment transactions	Total
Revenue	142,707	255,602	(65,929)	332,380
Operating income/(loss)	10,252	(339)	(160)	9,753

(€000)	France	Europe	Outside Europe	Total
Revenue	181,892	136,482	14,006	332,380

Paper

European production of printing and writing papers was up 6.3% versus first half 2020 (CEPI statistics) but down 6.2% versus first half 2019.

Our five paper machines produced 122,000 tonnes of paper reels, similar to previous first half volumes. The proportion of printing papers made from recycled fibres and specialty products increased significantly.

Processing

According to GfK market research consultants, sales of manufactured papers and filing articles in France rose by over 11% versus first half 2020. Again, however, sales fell short of first half 2019 levels, down 5.5% and 13.4% respectively.

Our own sales in this sector were up nearly 3% and the second half is showing a positive trend so far, both in France and abroad.

↪ **Outlook**

Rising raw material prices will weigh significantly on second half profit margins despite our policy of passing price increases on to customers.

Full-year operating income is expected to be close to the 2020 figure of €14,727,000.

↪ **Group financial results**

At 30 June 2021, gross borrowings stood at €287,532,000 including €41,747,000 of financial liabilities arising from the capitalisation of leases. Consolidated shareholders' equity was €427,414,000.

The Group has negotiated additional lines of credit with its banks totalling €17.5 million. The Group also issued commercial paper amounting to €50 million at 30 June 2021, out of a global programme of €125 million.

With gross cash and cash equivalents of €139,419,000 at 30 June 2021, Group net borrowings amounted to €148,113,000.

Excluding financial liabilities generated by the application of IFRS 16, net debt amounted to €106,366,000, down from 30 June 2019 and 2020.

THE BOARD OF DIRECTORS

Head of Financial Reporting
Jean-Marie Nusse - Executive Vice President